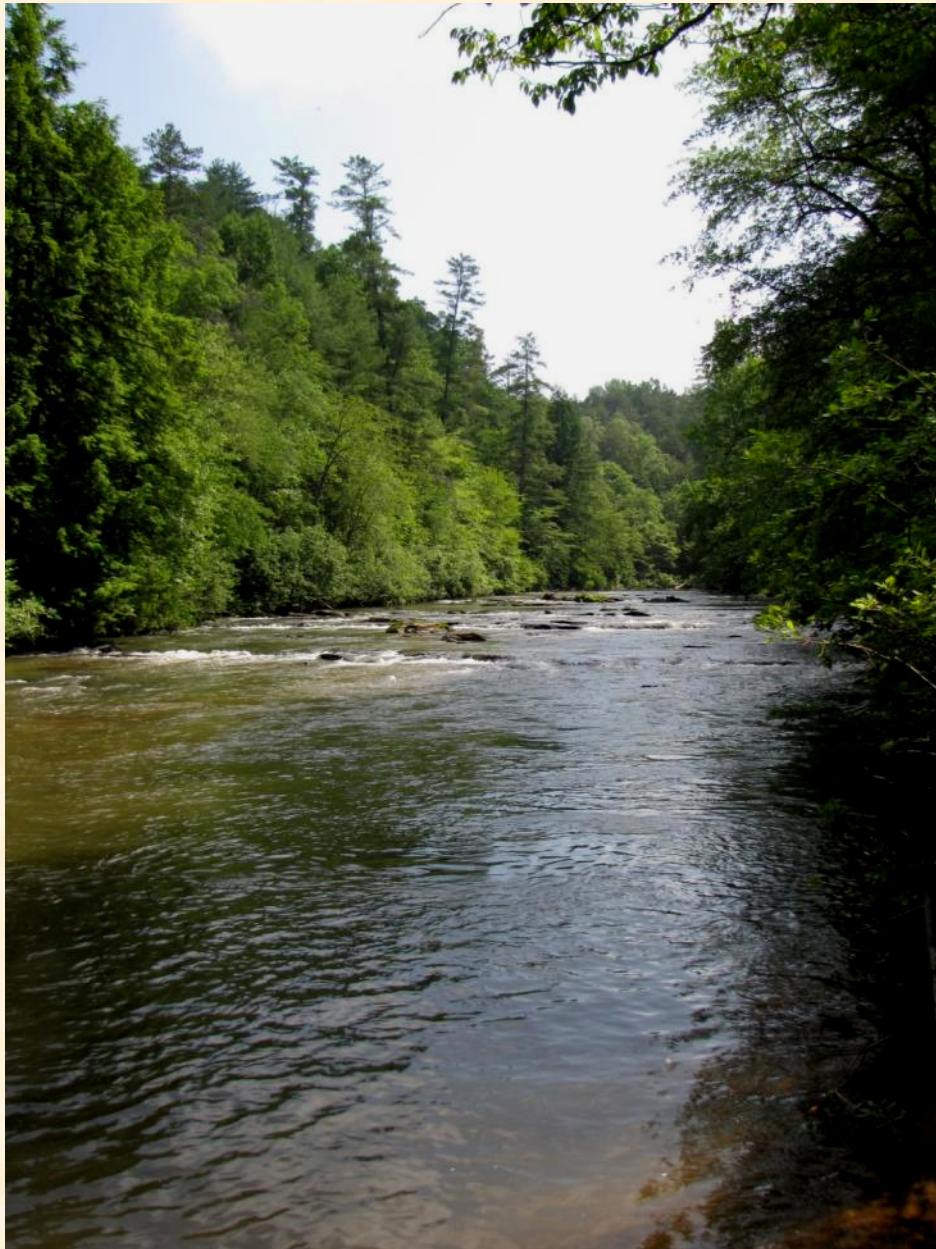




THE GEORGIA LAND CONSERVATION PROGRAM

2010 ANNUAL REPORT



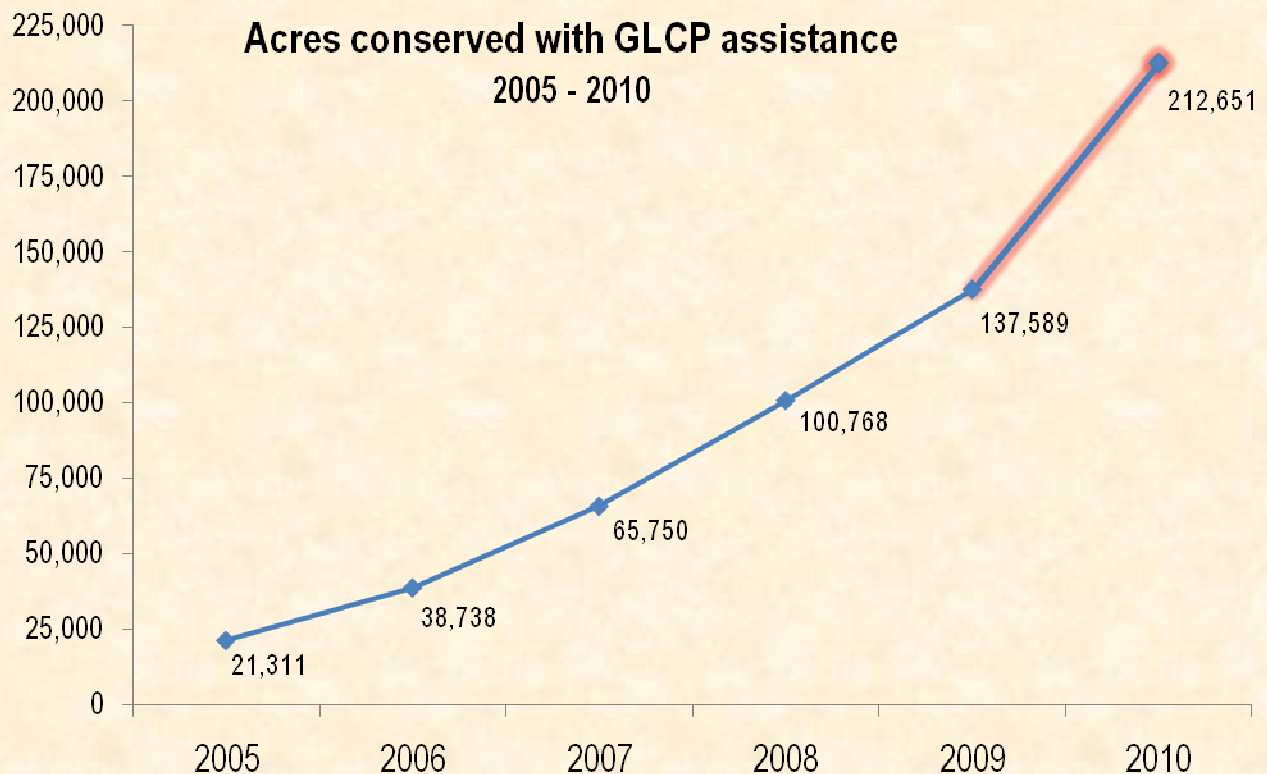
*Preserving our natural, cultural & agricultural
legacy for generations of Georgians to come*



INTRODUCTION

The Georgia Land Conservation Program (GLCP) works to preserve a statewide network of land and water resources for current and future generations to use and enjoy. It promotes and develops partnerships between cities and counties, state and federal agencies, landowners and other private sector entities to permanently conserve natural, historic and recreational areas, as well as prime agricultural and forest lands.

Since passage of the Georgia Land Conservation Act in 2005, the GLCP has played a role in permanently protecting 212,651 acres of land in 105 counties using a cost-conscious approach of competitive grants, low interest loans, tax incentives and technical assistance.



The GLCP has become an important part of land conservation efforts in Georgia, helping to conserve more than 75,000 acres in 2010.



LAND CONSERVATION COUNCIL

The Land Conservation Council governs the GLCP, and includes five state agency leaders and four gubernatorial appointees. The Council meets quarterly and has three staff members.



Steve Stancil, Chairman
State Property Officer
State Properties Commission



Michael A. Beatty
Commissioner
Department of Community Affairs



Dr. John Bembry
Tree Farmer & Veterinarian



Brent L. Dykes
Executive Director
Georgia Soil & Water Conservation Commission



Robert Farris
Executive Director
Georgia Forestry Commission



Chuck Leavell
Musician & Owner
Charlane Plantation



Paul H. Michael
Vice President
TPA Realty Services



Stacy R. Patton
Managing Member
Minerva Real Estate



Mark Williams
Commissioner
Department of Natural Resources

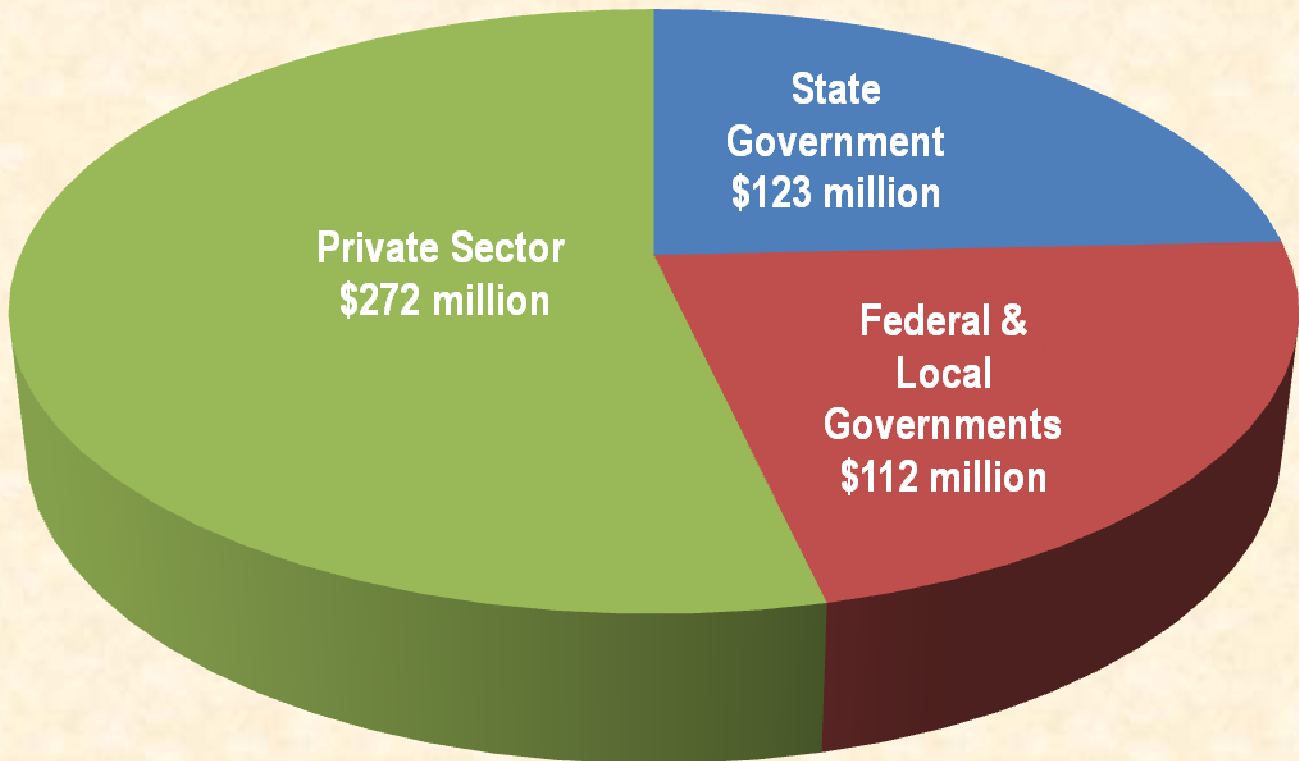


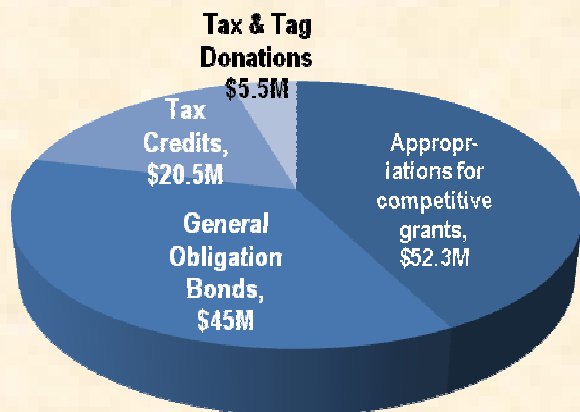
COST-EFFECTIVE CONSERVATION

One of the hallmarks of the GLCP is that it pursues its vision and mission with fiscal responsibility. Competitive grants, state income tax credits and low interest loans approved through the GLCP undergo thorough financial reviews by program staff, the Georgia Environmental Finance Authority (GEFA) board of directors, the Department of Natural Resources (DNR) and the Land Conservation Council. This process ensures that the GLCP works with applicants to incorporate an appropriate level of funding leverage and cost-efficiency.

The GLCP, together with other state and federal agencies, private sector conservation groups and generous landowners, has leveraged \$123 million in state funding to conserve more than \$508 million worth of conservation land. *This represents a greater-than 3:1 return on investment for the state on land conservation projects.*

Sources of Funding for GLCP Projects in Georgia 2005 - 2010 Total: \$508 million





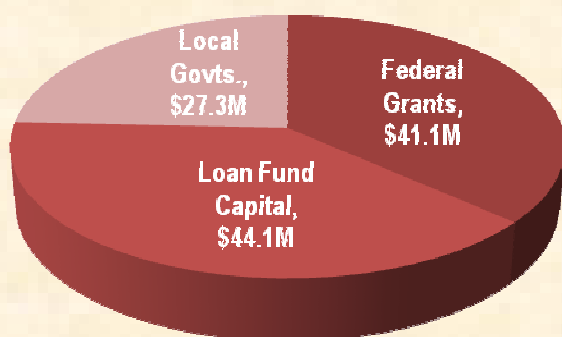
State Conservation Funds
2005 - 2010 Total: \$123.3 million

COMPETITIVE GRANTS are appropriated by the state Legislature and awarded to conservation projects throughout the state.

GENERAL OBLIGATION BOND funds have been issued to DNR for use in acquiring conservation lands.

TAX CREDITS AWARDED represent the total value of Georgia income tax credits awarded to certified donors of conservation lands and easements through the Conservation Tax Credit Program.

TAX & TAG DONATIONS refers to donations by Georgia citizens from the purchase of special wildlife license plates and the state income tax form check off that were used to conserve land as part of a GLCP project.

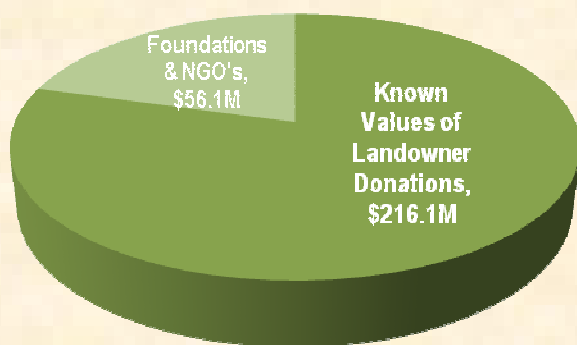


Federal & Local Governments -
2005 - 2010 Total: \$112.5 million

FEDERAL GRANTS on a project-specific basis from agencies such as the U.S. Fish and Wildlife Service and the U.S. Forest Service.

LOAN FUND CAPITAL consists of federal loan funds from the U.S. Environmental Protection Agency dedicated for land conservation as part of the federal Clean Water State Revolving Fund.

LOCAL GOVERNMENT contributions in the form of loan repayments and cash.



Private Sources -
2005 - 2010 Total: \$272.2 million

FOUNDATIONS & NGOs (non-governmental organizations) include grants and contributions from private sector conservation foundations and organizations.

LANDOWNER DONATIONS in the form of property donations for conservation purposes, savings achieved through discounted sales of conservation lands and easements and the known fair market value of conservation easement donations as part of the state's land conservation tax credit program.



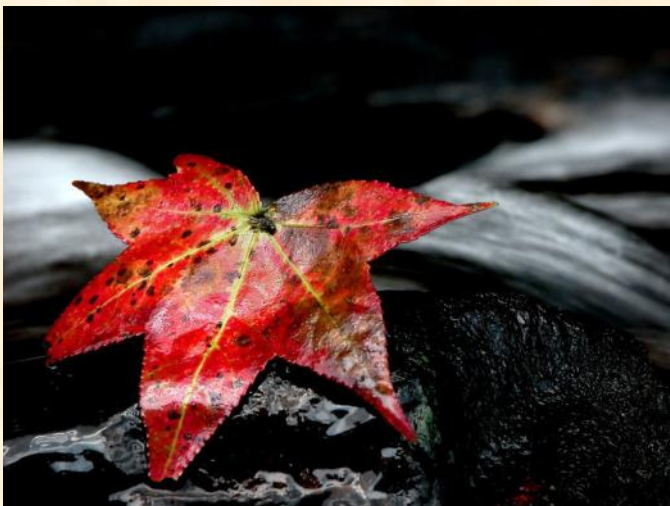
CONSERVATION FINANCE TOOLS

The GLCP promotes and enables permanent land conservation projects by offering flexible and cost-effective financing mechanisms to local governments, state agencies and conservation organizations. The program offers the financing tools described below.

COMPETITIVE GRANTS: The Land Conservation Act created the Land Conservation Trust Fund, to be funded by state appropriations. Grants are awarded from the Land Conservation Trust Fund on a competitive basis to state agencies, cities and counties. Due to the economic downturn and its effect on the state budget, no funds were allocated to the Trust Fund in fiscal years 2009-2011, and the GLCP has temporarily suspended its competitive grant program.

LOW INTEREST LOANS: The GLCP offers low interest loans to local governments and private non-governmental conservation organizations for land conservation projects. The Land Conservation Loan Fund is capitalized with \$55 million from the federal Clean Water State Revolving Fund, which is jointly administered by GEFA and the Environmental Protection Division of DNR. Some \$11 million of these loan funds are currently in circulation.

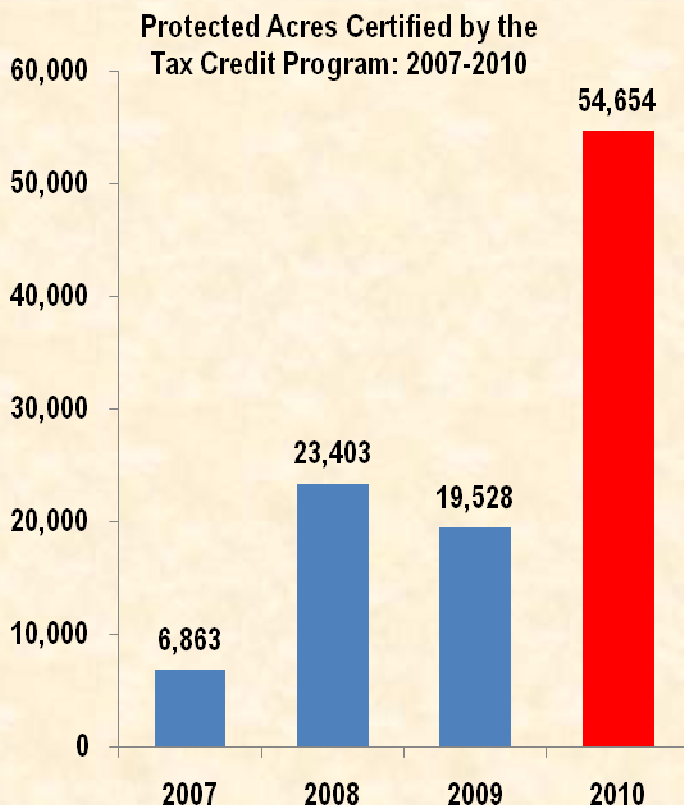
DUE DILIGENCE FUNDS: The GLCP provides limited funds to reimburse state agencies for legal costs and other expenses incurred through accepting donated conservation easements from private landowners.





CONSERVATION TAX CREDITS

The GLCP helps administer the certification of state income tax credits for land conservation donations in partnership with DNR and the Department of Revenue. The state tax credit is typically combined with federal income tax benefits, estate tax benefits and potential property tax reductions that offer a substantial financial incentive to landowners to conserve their property. Since 2007 GLCP has certified 221 projects that protect 104,448 acres.



Conservation tax credits are available for fee-title land donations and reduced-value sales. Credits are most commonly awarded to donors who permanently protect their private property through a conservation easement, subject to each of the following limitations:

- 25 percent of the donated land value;
- 10-year carry-forward period;
- \$250,000 per individual taxpayer;
- \$500,000 per corporate taxpayer; and
- \$1,000,000 per partnership.

Donations of conservation land or easements must be made to a government agency or qualified land trust. Private sector land trusts are certified as eligible by DNR and GLCP. Twenty-seven conservation organizations are currently certified.

Georgia qualified land trusts:

Athens Land Trust
Atlantic Coast Conservancy
Audubon Environmental Land
Central Savannah River Land Trust
Chattahoochee Valley Land Trust
Chattooga Conservancy
Chattowah Open Land Trust
Elachee Nature Science Center
Georgia Agricultural Land Trust

Georgia Land Trust
Georgia Piedmont Land Trust
Georgia Wildlife Federation
Historic Columbus Foundation
Historic Savannah Foundation
Mountain Conservation Trust of Georgia
National Wild Turkey Federation
Newton County Land Trust Alliance
North American Land Trust

Oconee River Land Trust
SE Regional Land Conservancy
Southern Conservation Trust
St. Simons Land Trust
Tall Timbers Land Conservancy
The Conservation Fund
The Nature Conservancy
The Trust for Public Land
Tybee Island Land Trust

State agencies that hold conservation easements: DNR, Georgia Forestry Commission (GFC) and the Georgia Soil & Water Conservation Commission (GSWCC).



2010 PROJECT HIGHLIGHTS

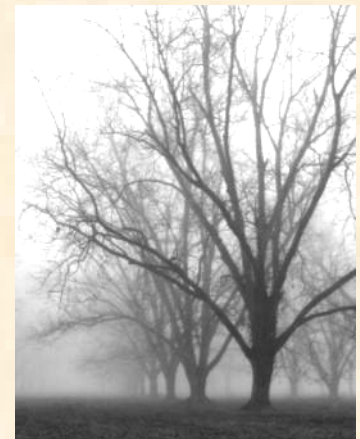
The GLCP approved 87 tax credit applications, competitive grants and/or low interest loans in 2010, helping to protect 75,062 acres. These accomplishments include:

AMICALOLA CREEK: The Land Council awarded DNR \$200,000 in competitive grant funds carried over from FY2008 to acquire 469 acres within the Dawson Forest Wildlife Management Area (WMA). The tract connects two separate units of the WMA and supports a two-mile segment of Amicalola Creek, which offers critical habitat for the endangered Etowah, holiday and bridled darters. The acquisition was a team effort conducted by many funding partners including The Nature Conservancy, the Woodruff Foundation, the U.S Fish & Wildlife Service, the Mountain Conservation Trust, the Lyndhurst Foundation and the Dobbs Foundation.



ETOWAH RIVER: The GLCP approved an \$180,000 loan to the city of Euharlee to acquire 16 acres on the Etowah River in Bartow County. The city plans to eventually establish a community park, walking paths and public boat ramp on the land, which had been slated for development prior to the economic recession. Euharlee will repay the loan with funds dedicated through its special local option sales tax (SPLOST) over the next ten years.

TUCKER TURF: Tucker Turf LLC donated a conservation easement on 1,055 acres of farmland in Houston County to the GSWCC. Nearly 1,000 acres of prime farmland in the developing area are now protected, and the easement conserves a segment of Big Indian Creek that feeds into the nearby Ocmulgee River. This is the first easement donation to the GSWCC, which works with owners of agricultural lands to conserve their soils and to protect local water bodies.



OCMULGEE RIVER: DNR used bond funds to acquire 10,015 acres along the Ocmulgee River as part of the Oaky Woods Wildlife Management Area in Houston County. This WMA is extremely popular among wildlife enthusiasts and sportsmen and contains a unique array of sensitive natural features including blackland prairies, an isolated black bear population, threatened plant species and ten miles of frontage on the Ocmulgee River.

BUCKHEAD CREEK: Mr. and Mrs. Hew Joiner donated a conservation easement to DNR that protects 133 acres in Jenkins County. The tract contains wetland forest and fronts one-half mile of Buckhead Creek, a tributary of the Ogeechee River. The property is located between the Big Dukes Pond Natural Area and Magnolia Springs State Park, improving wildlife and recreational connectivity within and among these tracts. The donation is eligible for a tax credit.

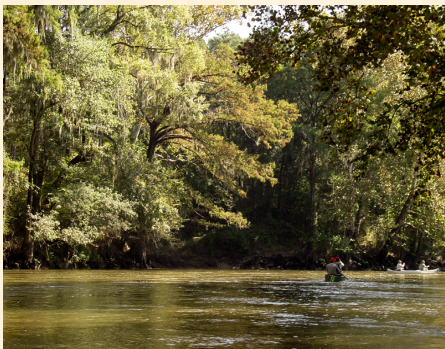


DIAMOND DRAKE: Georgia native and major league baseball star J.D. Drew donated an easement on 1,008 acres in Meriwether County to The Conservation Fund, which is transferring the easement to the Georgia Forestry Commission (GFC).

The property contains the main stem of Sulphur Creek and supports significant acreage of working forest and agricultural lands. The easement terms permanently protect these important natural resources, while allowing their active and productive use. This donation is eligible for a conservation tax credit.

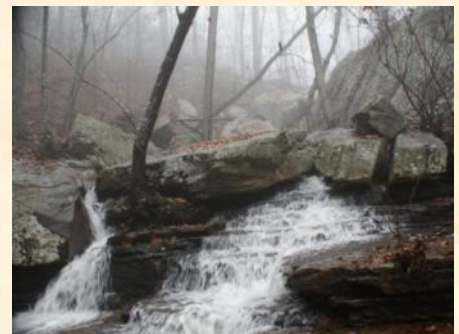


TOWNSEND WMA: DNR acquired 6,911 acres along the Altamaha River in Long County. The property is covered by high-quality hardwood forest and backwater sloughs that support 17 threatened or endangered species. This strategic acquisition helps create a 20-mile stretch of contiguous public land and buffers the Townsend Bombing Range. Key partners include The Nature Conservancy, who acquired the property from Rayonier Forest Resources; the U.S. Marine Corps, who purchased an easement over the property; and the U.S. Fish and Wildlife Service, who provided a grant for the state to acquire the remaining fee-title interest in the property. No state funds were used to acquire the tract.



FLINT RIVER: Nonami Oglethorpe LLC donated a conservation easement on the outskirts of Albany in Dougherty County to the Georgia Land Trust and was awarded a conservation tax credit. At 8,595 acres, the easement is the largest donation to be certified for a Georgia tax credit. The property contains 4.5 miles of frontage along a segment of the Flint River near Radium Springs that supports rare mussel species and attracts recreational boating from nearby public parks. Most of the property will continue to be actively farmed and timbered, activities which are consistent with the easement.

CREEKSIDE FALLS: Mr. Reed Biggers, a representative of Creekside Falls LLC, was awarded a tax credit for donating a conservation easement in Chattooga County to the Georgia Land Trust. The 283-acre tract contains both sides of Neal Gulf, through which flows a one-mile stretch of Allgood Creek. Its thickly forested slopes, rock outcrops and numerous caves support habitat for rare salamanders and orchids. The tract adjoins other privately-owned conservation easement properties and the state-owned Otting WMA to form a contiguous 1,000-acre parcel of protected land.





LEGISLATION & OUTREACH

Central to the vision and mission of the GLCP and keeping it vibrant and current is adjusting the program to meet the changing needs of its customers and engaging in targeted outreach efforts to inform citizens and conservation partners about the benefits of land conservation and how they can contribute.



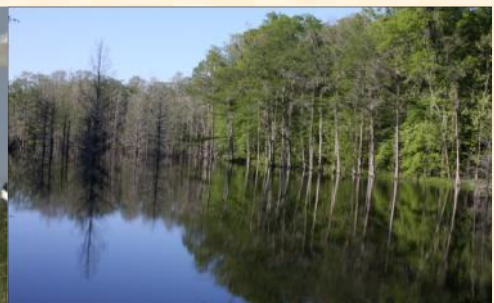
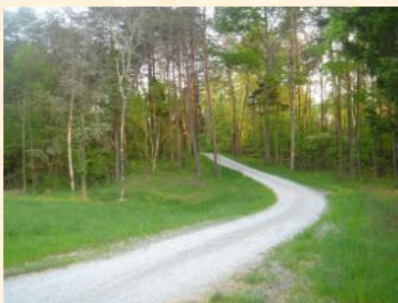
BRIDGE LOAN LEGISLATION: With the sponsorship of state Senators Ross Tolleson, John Bulloch and George Hooks, and state Representative Buddy Harden, the GLCP drafted and helped pass Senate Bill 402. SB 402 expands the scope and application of the low interest loan fund by authorizing the state to make bridge loans to non-governmental organizations. Bridge loans allow private sector conservation organizations to secure important properties on behalf of the state quicker and with less risk.

CHECKOFF GEORGIA: In 2010, GLCP staff played a leadership role in forming *Checkoff Georgia*, a new coalition of the eight statewide charitable funds to which taxpayers can easily donate funds on their state income tax returns. *Checkoff Georgia* created the website www.checkoffgeorgia.org and a marketing campaign to increase awareness of the tax check off donation option.

It is anticipated that these efforts will yield an increase in donations to the GLCP are expected to increase as more Georgia taxpayers respond to this opportunity to support cost effective land conservation efforts.



ENHANCED WEB ACCESS: Find more information about the land conservation programs available from the Georgia Land Conservation Program at www.glcp.ga.gov. The site posts an updated calendar of Land Council meetings, contact information, FAQs and resources to help landowners, land trusts and conservation-minded Georgians. Visit the website often to learn about new projects that are adding to the hundreds of thousands of acres already protected by GLCP and our partners.





2011 INITIATIVES

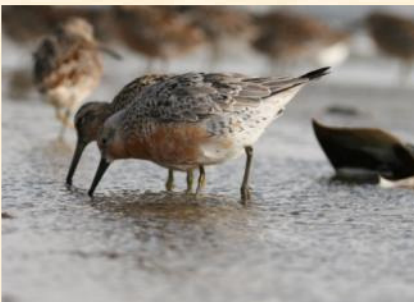
INCREASE THE NUMBER OF DONATIONS CERTIFIED THROUGH THE TAX CREDIT PROGRAM: More tax credit applications were received (79) and acres certified (54,654) in 2010 than any previous year. The conservation tax credit is a low-cost mechanism for permanently maintaining conservation values because it relies on donations instead of purchases and properties remain in private ownership and stewardship. The GLCP will continue to market this increasingly popular state sponsored fiscal conservation tool, as well as corresponding federal and local tax incentives, to private landowners and other interested parties in 2011.



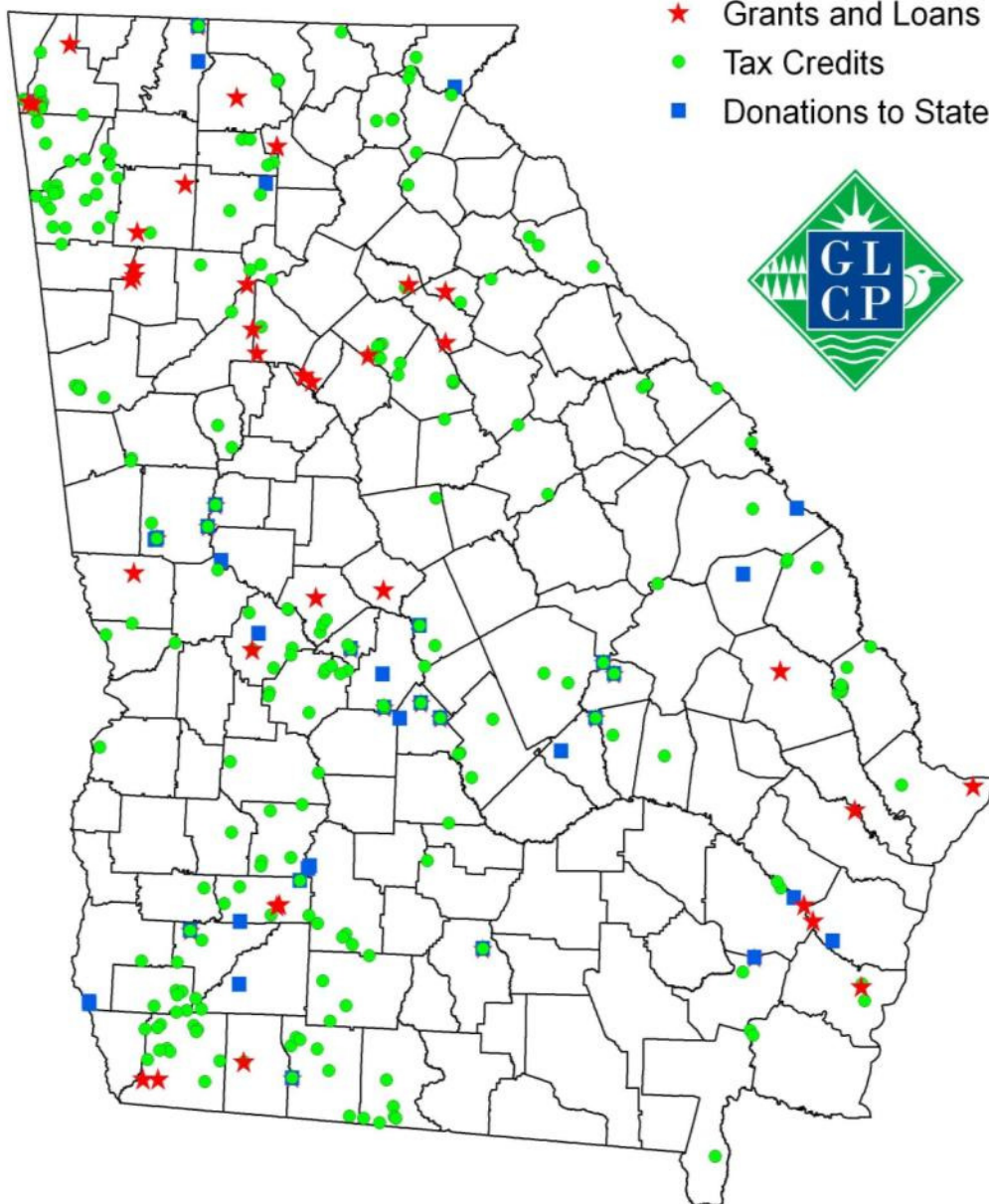
INCREASE STATE-HELD CONSERVATION EASEMENTS: Three state agencies – the Georgia Forestry Commission, the Georgia Department of Natural Resources and the Georgia Soil and Water Conservation Commission – have the capacity to hold conservation easements on privately-owned lands. These agencies work with private landowners who prefer to donate conservation easements to state agencies as opposed to non-government organizations. The GLCP will continue to assist these agencies and landowners and facilitate the donation of easements to the state in 2011.



INCREASE THE USE OF THE LOW-INTEREST LOAN FUND: The land conservation set-aside within the Clean Water State Revolving Loan Fund has low interest rate loan funds available to support permanent and interim financing. GLCP staff and the state Legislature have worked to improve this tool by making it available to private non-governmental organizations and allowing it to accommodate bridge loans. The GLCP will provide outreach efforts and informational materials to potential loan applicants during 2011 in order to increase the use of this financing tool.



GEORGIA LAND CONSERVATION PROGRAM APPROVED PROJECTS 2005 - 2010



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Land Conservation Program
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